

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Special Meeting

October 16, 2003
11:30 a.m.

Conference Room 2 C/D
Bellevue, Washington

PRESENT: Mayor Marshall and Councilmembers Davidson, Lee, Mosher, and Noble¹

ABSENT: Deputy Mayor Degginger and Councilmember Creighton

1. Bond purchase contract with Lehman Brothers, Inc. for \$8,550,000 Unlimited Tax General Obligation bonds and \$4,635,000 Unlimited Tax General Obligation Refunding bonds.

Ordinance No. 5474 of the City of Bellevue, Washington, providing for the issuance and sale of unlimited tax general obligation bonds of the City in the principal amount of \$8,550,000 for the purpose of providing funds to defease and refund certain outstanding unlimited tax general obligation refunding bonds of the City; authorizing the issuance and sale of limited tax general obligation bonds of the City in the principal amount of \$4,635,000 for the purpose of providing funds to defease and refund certain outstanding limited tax general obligation bonds of the City; authorizing the plans of refunding; authorizing a preliminary official statement; and providing the forms and terms of the two series of such bonds.

The meeting was called to order at 11:35 a.m. by Mayor Marshall, who presided.

Finance Director Jan Hawn introduced Rebecca Chao, Regional Financial Advisors; Stacy Crawshaw-Lewis, Preston Gates and Ellis; and Bob Campbell, Lehman Brothers. Ms. Hawn commended the City Council for amending the debt refunding policy on September 8, 2003 in Ordinance No. 5465, reducing the requirement for the minimum present value savings to three percent of the principal amount of the refunding debt being issued. The previous policy established a five percent threshold. Without this change, the unlimited general obligation bonds would not have qualified for refunding and the City would not have achieved the present value savings of approximately \$350,000. The proposed bond issues together achieve a present value savings of approximately \$758,000.

¹ Mr. Noble arrived at 11:39 a.m.

Ms. Hawn explained that the recommended refunding will reduce debt service schedules and could potentially reduce future voted property tax levies for the unlimited general obligation refunding bonds and expenditures in the General Capital Investment Program (CIP) Fund for the limited general obligation bonds. She noted the City maintains its Aa+ rating from Standard & Poors and Aaa rating from Moody's.

Ms. Hawn and Ms. Chao responded to brief questions of clarification.

- ➡ Mr. Mosher moved to adopt Ordinance No. 5474, and Mr. Lee seconded the motion.
- ➡ The motion to adopt Ordinance No. 5474 carried by a vote of 5-0.

At 11:47 a.m., Mayor Marshall declared the meeting adjourned.

Myrna L. Basich
City Clerk

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